

RECORDATION NO. 20281 EFG  
FILED 1478

**O**RRICK, HERRINGTON  
& SUTCLIFFE LLP

NOV 20 1996 9 15 AM

November 18, 1996

NOV 20 9 12 AM '96

RECEIVED  
SURFACE TRANSPORTATION  
BOARD

Mr. Vernon A. Williams, Secretary  
Surface Transportation Board  
Twelfth Street & Constitution Avenue, N.W.  
Washington, DC 20423

Re: Nova Chemicals, Inc.  
Leveraged Lease Financing of Railroad Rolling Stock

Dear Mr. Williams:

I am enclosing for recording pursuant to Section 11301 of Title 49 of the United States Code, two copies of each of the three secondary documents described below. As one of the attorneys representing the Lessee in this transaction, I have knowledge of the matters described in this letter.

The secondary documents are as follows:

- (1) Lease Supplement No. 2, dated as of November 20, 1996, between Fleet National Bank, as owner trustee (the "Lessor"), and Nova Chemicals Inc., as lessee (the "Lessee");
- (2) Indenture Supplement No. 2, dated as of November 20, 1996, between the Lessor and The First National Bank of Chicago, as indenture trustee (the "Indenture Trustee"); and
- (3) Bill of Sale, dated November 20, 1996, from Nova RL Inc., as seller (the "Seller") to the Lessor.

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**ORRICK, HERRINGTON  
& SUTCLIFFE LLP**

The primary documents to which the Lease Supplement No. 2, the Indenture Supplement No. 2 and the Bill of Sale are connected are as follows:

(1) Equipment Lease Agreement, dated as of September 27, 1996, between the Lessor and the Lessee, recorded on September 27, 1996, at 2:10 p.m. under Recordation Number 20281; and

(2) Trust Indenture and Security Agreement, dated as of September 27, 1996, between the Lessor and the Indenture Trustee recorded on September 27, 1996 at 2:10 p.m. under Recordation Number 20281-B.

The names and addresses of the parties to the enclosed documents are as follows:

**LEASE SUPPLEMENT NO. 2**

Lessee: Nova Chemicals Inc.  
690 Mechanic Street  
Leominster, Massachusetts 01453

Lessor: Fleet National Bank  
777 Main Street  
Hartford, Connecticut 06115

**INDENTURE SUPPLEMENT NO. 2**

Lessor: Fleet National Bank  
777 Main Street  
Hartford, Connecticut 06115

Indenture Trustee: The First National Bank of Chicago  
One First National Plaza, Suite 0126  
Chicago, Illinois 60670-0126

**BILL OF SALE**

Seller: Nova RL Inc.  
690 Mechanic Street  
Leominster, Massachusetts 01453

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& SUTCLIFFE LLP**

The description of the Equipment covered as of the date hereof by the aforesaid Lease Supplement No. 2, Indenture Supplement No. 2 and Bill of Sale is as set forth on Exhibit A hereto.

A fee of sixty-six dollars (\$66.00) is enclosed. Please time and date stamp the enclosed copy of each of the enclosed documents along with the extra copy of this letter as proof of filing and recordation of the enclosed documents and return the original and any extra copies of such documents and this letter not needed by the Board for recordation to:

Mark Davis, Esq.  
Orrick, Herrington & Sutcliffe LLP  
400 Sansome Street  
San Francisco, California 94111

A short summary of each of the documents to appear in the index follows:

**(1) LEASE SUPPLEMENT NO. 2:**

Lease Supplement No. 2 between Fleet National Bank, as Lessor, 777 Main Street, Hartford, Connecticut 06115 and Nova Chemicals Inc., as Lessee, 690 Mechanic Street, Leominster, Massachusetts 01453, dated as of November 20, 1996, covering new railroad rolling stock bearing the road numbers listed in the Schedule thereto. Lease Supplement No. 2 is related to the Equipment Lease Agreement between the Lessor and the Lessee dated as of September 27, 1996, which was previously filed.

**(2) INDENTURE SUPPLEMENT NO. 2:**

Indenture Supplement No. 2 between Fleet National Bank, as Lessor, 777 Main Street, Hartford, Connecticut 06115 and The First National Bank of Chicago, as Indenture Trustee, One First National Plaza, Suite 0126, Chicago, Illinois 60670-0126, dated as of November 20, 1996, covering the obligations of the Lessor and the Lessee relating to new railroad rolling stock bearing road numbers listed in the Schedule thereto. The Indenture Supplement No. 2 is related to the Trust Indenture and Security Agreement between Lessor and the Indenture Trustee, dated as of September 27, 1996, which was previously filed.

**(3) BILL OF SALE:**

Bill of Sale from Nova RL Inc., as Seller, 690 Mechanic Street, Leominster, Massachusetts 01453, to Fleet National Bank, as Lessor, 777 Main Street, Hartford, Connecticut 06115, dated November 20, 1996, covering new railroad rolling stock bearing the road numbers listed in the Schedule thereto. The Bill of Sale is related to the Equipment

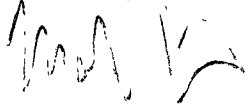
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& SUTCLIFFE LLP

Lease Agreement, dated as of September 27, 1996, and the Lease Supplement No. 2, dated as of November 20, 1996, each between the Lessor and the Lessee, and to the Trust Indenture and Security Agreement, dated as of September 27, 1996, and the Indenture Supplement No. 2, dated as of November 20, 1996, each between the Lessor and the Indenture Trustee.

If you have any questions or need further information, please do not hesitate to contact the undersigned (415-392-1122).

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark Davis', written over a horizontal line.

Mark Davis

**EXHIBIT A**

<u>Equipment</u>	<u>Quantity</u>	<u>Road Numbers</u>
5810 Cubic Foot Covered Hopper Cars	168	NCIX000702, NCIX000723, NCIX000729 and NCIX000747 through NCIX000911, inclusive.

SURFACE TRANSPORTATION BOARD  
WASHINGTON, D.C. 20425-0001

11/20/96

Mark Davis  
Orrick, Herrington & Sutcliffe LLP  
400 Sansome Street  
San Francisco, CA., 94111

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 11/20/96 at 9:15AM , and assigned recordation number(s). 20281-E, 20281-F and 20281-G.

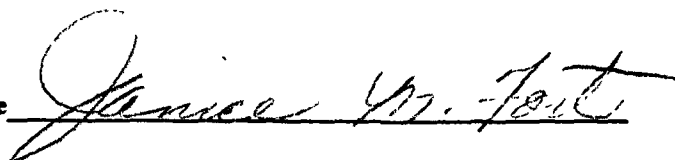
Sincerely yours,

  
Vernon A. Williams  
Secretary

Enclosure(s)

\$ 66.00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature



NOV 20 1996 - 9 15 AM

**BILL OF SALE**

Reference is hereby made to the Participation Agreement (the "Participation Agreement") dated as of September 27, 1996, among NOVA Chemicals, Inc., a Delaware corporation, NOVA Chemicals Ltd., an Alberta corporation, NOVA RL Inc., a Delaware corporation ("Seller"), General Foods Credit Investors No. 1 Corporation, a Delaware corporation, Philip Morris Capital Corporation, a Delaware corporation, Fleet National Bank, a national banking association, not in its individual capacity, but solely as Owner Trustee ("Lessor"), certain Note Purchasers named therein, and The First National Bank of Chicago, a national banking association, not in its individual capacity, but solely as Indenture Trustee. Capitalized terms not defined herein shall have the meanings assigned thereto in the Glossary incorporated into the Participation Agreement.

Seller, in consideration of the payment in cash or other immediately available funds by or on behalf of Lessor of the Lessor's Cost with respect to the Units designated on Annex I attached hereto, the receipt and sufficiency of which payment is hereby acknowledged by Seller, does hereby sell, assign, transfer, convey, grant, bargain, set over, deliver and confirm to Lessor all of Seller's right, title and interest, in and to the Units designated on Annex I hereto, together with any other right, title and interest which Seller may now have or subsequently acquire in any personal property becoming part of the Units designated on Annex I hereto, to have and to hold all of the rights to the Units designated on Annex I hereto to Lessor and its successors and assigns for their own use and benefit forever.

Seller hereby warrants to Lessor and its successors and assigns that at the time of delivery of the Units designated on Annex I hereto, Seller had good and marketable title thereto and good and lawful right to sell such personal property and that title thereto is hereby validly and effectively transferred to Lessor free and clear of all liens, security interests and other encumbrances of any nature, and Seller covenants that Seller will warrant and defend such title to such personal property forever against any claims or demands of all persons and entities whomsoever and the benefits of these warranties of Seller to Lessor shall inure to the benefit of each successor and assign of Lessor and their successors and assigns.

The Units designated on Annex I hereto are being transferred by Seller in satisfaction of a condition precedent to the execution of certain of the other Operative Agreements. This Bill of Sale shall be governed by the laws of the State of New York.

IN WITNESS WHEREOF, Seller has caused this Bill of Sale to be executed in its name and on its behalf by its officer, thereunto duly authorized.

NOVA RL INC.

Date: November \_\_, 1996

By: 

Name:

Title:



## ALL-PURPOSE ACKNOWLEDGEMENT

STATE OF Massachusetts )  
COUNTY OF Worcester )

On Nov 12, 1996 before me, Carol Ellen Derasion <sup>NOTARY</sup>  
Date Name and Title of Officer (i.e., Your Name, Notary Public)

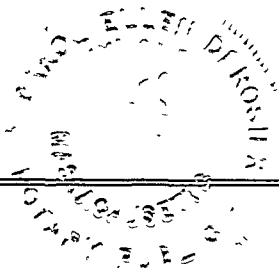
personally appeared David Carpenter  
Name(s) of Document Signer(s)

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Carol Ellen Derasion  
Signature of Notary

My Commission expires  
7-31-2003



ANNEX I

Description of Units

**5810 Cubic Foot Covered Hopper Cars:**

NCIX000702, NCIX000723, NCIX000729  
and  
NCIX000747 through NCIX000911, inclusive.